

TENNESSEE ENVIRONMENTAL COUNCIL, INC.

REVIEWED STATEMENT OF FINANCIAL POSITION

December 31, 2013



Sherrod CPA Office

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MEMBER:

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TENNESSEE STATE BOARD OF ACCOUNTANCY

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Tennessee Environmental Council, Inc.
Nashville, Tennessee

I have reviewed the accompanying statement of financial position of Tennessee Environmental Council, Inc. (a 501(c)(3) not-for-profit corporation) as of December 31, 2013. A review includes primarily applying analytical procedures to management's financial data and making inquiries of organization management. A review is substantially less in scope than an audit, the object of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance that there are no material modifications that should be made to the statement of financial position. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my review, with the exception of the matter described in the following paragraph, I am not aware of any material modifications that should be made to the accompanying statement of financial position in order for it to be in conformity with accounting principles generally accepted in the United States of America.

A statement of activities and net assets has been presented as supplemental information, but has not been reviewed. The statement of cash flows for the year ended December 31, 2013, has not been presented. Accounting principles generally accepted in the United States of America require that such statements be presented when financial statements purport to present financial position and results of operations.

John R. Sherrod III CPA

June 23, 2015

TENNESSEE ENVIRONMENTAL COUNCIL, INC.

Statement of Financial Position

December 31, 2013

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$	118,669
Marketable Securities		1,070
Grants Receivable		<u>5,056</u>
TOTAL CURRENT ASSETS		<u>124,795</u>

PROPERTY AND EQUIPMENT

		31,340
Less Accumulated Depreciation		<u>(29,621)</u>
		<u>1,719</u>

TOTAL ASSETS \$ 126,514

LIABILITIES AND NET ASSETS

NET ASSETS

Net Assets - Unrestricted		<u>126,514</u>
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TOTAL LIABILITES AND NET ASSETS \$ 126,514

The accompanying notes are in integral part of this financial statement.

TENNESSEE ENVIRONMENTAL COUNCIL, INC.

Statement of Activities and Net Assets

For the Year Ended December 31, 2013

SUPPORT AND REVENUES

Fundraising Revenue	\$ 19,865
Program Events Revenue	142,090
Grant Revenue	<u>223,043</u>

TOTAL SUPPORT AND REVENUES

384,998

EXPENSES:

Salaries and Benefits	262,392
Direct Program Expenses	28,457
Rent	7,742
Telephone and Postage	3,951
Dues, Printing, and Other Expenses	6,583
Supplies	28,702
Travel and Training	10,820
Depreciation Expense	1,720
Insurance	2,799
Interest Expense	19
Legal and Professional	<u>5,996</u>

TOTAL EXPENSES

359,181

EXCESS (DEFINICIENCY) OF SUPPORT AND REVENUES OVER EXPENSES FROM OPERATIONS

25,817

OTHER INCOME AND EXPENSES

Interest Income	<u>278</u>
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TOTAL OTHER INCOME AND EXPENSES

278

TOTAL EXCESS (DEFICIENCY) OF SUPPORT AND REVENUES OVER EXPENSES

\$ 26,095

NET ASSETS:

Increase (decrease) in Unrestricted Net Assets	26,095
Beginning of Year	<u>100,419</u>
End of Year	<u>\$ 126,514</u>

See independent accountant's compilation report.

TENNESSEE ENVIRONMENTAL COUNCIL, INC.

December 31, 2013

NOTES TO FINANCIAL STATEMENTS

(1) Organization

The Tennessee Environmental Council, Inc. (Organization) is a voluntary health and welfare organization created within guidelines of Tennessee state statutes and the Internal Revenue Code 501(c)(3). The organization's mission is to educate and advocate for the conservation and improvement of Tennessee's environment, communities, and public health.

(2) Summary of Significant Accounting Policies

(a) Basis of accounting

The accompanying financials of the Organization have been prepared on the accrual basis of accounting.

(b) Financial statement presentation

The Organization presents its financial statements in accordance with the Accounting Standards Codification 958, *Not-for-Profit Entities* (ASC 958) formerly Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations* as promulgated by the Financial Accounting Standards Board. Net assets and revenues, expenses, gains and losses are classified based on the existence or absences of donor-imposed restrictions. Accordingly, as required by ASC 958, the Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

(c) Nature of the Business

Tennessee Environmental Council is a not-for-profit corporation organized under the laws of the State of Tennessee. The Organization provides education and advocacy for the conservation and improvement of Tennessee's environment, communities, and public health.

(d) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

TENNESSEE ENVIRONMENTAL COUNCIL, INC.

December 31, 2013

NOTES TO FINANCIAL STATEMENTS

(e) Income Tax Status

Tennessee Environmental Council, Inc. is exempt from federal and Tennessee Franchise and Excise taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of 509(a) of the Internal Revenue Code.

(f) Property and equipment

Property and equipment are depreciated over the estimated useful lives of the respective classes of assets using the straight-line method of depreciation. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Expenditures for repairs and maintenance are charged to expense as incurred, and additions and improvements that significantly extend the lives of the assets are capitalized at cost.

(g) Cash and equivalents

Cash, as reported, is comprised of checking and savings accounts and Renasant Bank.

(3) Fair Value of Financial Instruments

(a) Cash

The carrying amount reported is the reconciled bank account balances, which are considered to be fair values.

(b) Marketable Securities

The carrying amount reported is estimated by using market prices for securities, which are considered to be fair values.

(c) Accounts receivable

The carrying amount reported is the estimated net collectible amount which is considered the fair value.

(d) Accounts payable and other liabilities

The carrying amounts reported are the amounts equaled to the required payments. The reported amounts are considered the fair values. There are no accounts payable or other liabilities to report at the date of the financial statement.

TENNESSEE ENVIRONMENTAL COUNCIL, INC.

December 31, 2013

NOTES TO FINANCIAL STATEMENTS

(4) Property and Equipment

A summary of property and equipment at December 31, 2013 is as follows:

Furniture and Equipment	\$31,340
Accumulated Depreciation	<u>(29,621)</u>
	<u>\$ 1,719</u>

(5) Net Assets

There are no temporarily restricted net assets or permanently restricted net assets to report at December 31, 2013.

-END OF NOTES-